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Urgent reforms proposed to avert another IMF loan

- PM-appointed panel calls for measures to improve ease of doing business
- Seeks tariff overhaul to lift exports beyond $60bn in three years
- Highlights cross-cutting barriers across 20 export products
- Notes 'policy unpredictability' undermines investor, buyer confidence

By Khaleeq Kiani

ISLAMABAD: A body constituted by the prime minister and led by Minister for Planning Ahsan Iqbal has called for urgent reforms to improve the ease of doing business and for a serious restructuring and rationalisation of tariffs — both energy prices and trade duties — to more than double exports to over $60 billion within three years.

The committee was formed to devise a strategy for avoiding another IMF programme once the current $8.4bn arrangement expires at the end of 2027, amid mounting pressure from persistently weak economic indicators.

According to synopses compiled after week-long consultations with public and private sector stakeholders from Jan 5 to 9, the panel concluded that the current state of affairs was not capable of driving a fast-growing population of 250 million towards sustained prosperity because of cross-cutting constraints affecting "all 20 priority export products and six export drivers".

Ironically, most of these constraints are generally well known, but the government's inability, despite special interventions here and there, including through the Special Investment Facilitation Council (SIFC), to create a conducive working environment in a fair, equitable, rule-based and transparent manner, has hampered sustainable growth path beyond stabilisation under a restrictive programme volunteered to the IMF.

The plan proposed easing electricity and gas prices through debt refinancing and rationalising price build-ups. It was found that "export competitiveness is undermined by high and volatile energy costs, with electricity and gas tariffs remaining above regional benchmarks and subject to frequent changes".

It warned that volatility was inflating production costs across manufacturing, agro-processing, minerals, fisheries, and services, eroding margins and diverting orders to competing countries.

The Planning Commission also pointed out that the cost of doing business in Pakistan remained "structurally high due to fragmented and distortionary taxation,

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THE screengrabs show parliamentarians (left) raising pro-government slogans after an address by Speaker Mohammad Bagher Ghalibaf in Tehran and smoke rising as protesters gather amid anti-government unrest in Mashhad.—Reuters

Iran warns US against interference amid deadly violence

- Over 500, including scores of security personnel, killed, US-based rights group claims
- Pezeshkian says 'trained rioters, terrorists' brought into Iran by foes to fan riots, pledges to address grievances
- Rubio, Netanyahu discuss possibility of intervention
- Speaker warns US against any miscalculation

DUBAI: As it struggled to contain massive protests across the country, the Iranian government on Sunday warned the US of retaliation against its military bases and Israel if the Trump administration attacked the country over a crackdown on protesters.

Large crowds have gathered across the country in recent days, chanting anti-government slogans despite an internet blackout that rights groups have warned is being used to obscure a deadly crackdown by security forces.

According to a US-based rights group, the death toll has reached 500 due to violence that has engulfed major cities, including Tehran. HRANA, in its latest spreadsheet, based on activists inside and outside Iran, said it had verified the deaths of 490 protesters and 48 security personnel, with more than 10,600 people arrested. *Reuters* was unable to independently verify the toll.

The enemies of the Iranian people have trained a group of people both inside and outside the country to destroy public and private properties and kill citizens, Iranian President Masoud Pezeshkian said. "The enemy has infiltrated trained terrorists into the country. Rioters and saboteurs are not the protesting people. We listen to the protesters and have made our utmost efforts to solve their problems," Mr Pezeshkian said.

Against this violent backdrop, the US offered to "help" the Iranian people and the Trump administration also reportedly discussed the possibility of strikes targeting Iran. With the Islamic Republic's clerical establishment facing the biggest demonstrations since 2022, Mr Trump has repeatedly threatened to attack Iran if force is used on protesters. Posting on social media on Saturday, he said: "Iran is looking at FREEDOM, perhaps like never before. The USA stands ready to help!!!" In a phone call on Saturday, Israeli Prime Minister Benjamin Netanyahu and US Secretary of State Marco Rubio discussed the possibility of US intervention in Iran, according to *Reuters*.

Addressing parliament on Sunday, Iran's speaker Mohammad Bagher Ghalibaf warned the US against any miscalculation.If the US attacked, "both the occupied territory and centres of the US military and shipping will be our legitimate targets", he told lawmakers.

'Rioters are trained'

In his address, Iranian President Masoud Pezeshkian also blamed the US and Israel for violence, saying that they had "trained" and "brought terrorists" into Iran from abroad.

"The US and Israel are telling… 'we are behind you'. The same people who killed children and infants in our country are telling these rioters to go and destroy and burn," he said, referring to the June military aggression against Iran.

Mr Pezeshkian told the youth "not to be deceived by these rioters and terrorists" as he pleaded with Iranian families not to let their children join the "rioters and terrorists".

Meanwhile, the US-based son of Iran's ousted shah said he was prepared to return to the country and lead a transition to a democratic government. "I'm prepared to return to Iran at the first possible opportunity. I'm already planning on that," Reza Pahlavi said on *Fox News*' "Sunday Morning Futures" with Maria Bartiromo.

He added: "My job is to lead this transition to make sure that no stone is left unturned, that in full transparency, people have an opportunity to elect their leaders freely and to decide their own future."

'State of near paralysis'

Video verified by *AFP* showed large crowds taking to the streets in new protests on Saturday night in several Iranian cities, including Tehran and Mashhad in the east, where images showed vehicles set on fire.

Footage posted on social media from Tehran showed large crowds marching along a street at night, clapping and chanting. The crowd "has no end nor beginning," a

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12 terrorists killed in three KP districts

By Ghulam Mursalin Marwat & Umer Farooq

LAKKI MARWAT/PESHAWAR: At least 12 terrorists, including six from the banned Tehreek-i-Taliban Pakistan (TTP), were killed in separate intelligence-based operations (IBOs) in Lakki Marwat, Peshawar and Khyber districts, officials said on Sunday.

According to the Counter Terrorism Department (CTD), it received intelligence information regarding the presence of terrorists in Nakay village, near Khyber district's Shah Kas area, planning to carry out an attack on police.

The department's Special Weapons and Tactics (SWAT) team reached the area and an exchange of fire ensued during which three TTP suspects were killed while two others managed to escape.

The SWAT team recovered three Kalashnikovs and ammunition from the killed terrorists.

In Peshawar, three terrorists were gunned down in the Tapusano Garhi area, CTD claimed.

According to the CTD, the SWAT team, while acting on intelligence, carried out a targeted operation and killed three terrorists linked to the banned TTP. The team also recovered arms and ammunition.

Six killed in Lakki

In Lakki Marwat district, security forces eliminated six terrorists during an IBO after receiving credible information about the presence

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Newly-wed couple among 8 killed in Islamabad blast

- Explosion injures 12 others, one of them with 20pc burn injuries
- PM orders inquiry to determine cause; officials suspect gas cylinder leak behind tragedy

By Ikram Junaidi and Kashif Abbasi

ISLAMABAD: A newly-wed couple was among eight people killed, while 12 others were injured, in an explosion at a house in Islamabad's Sector G-7/2 during wedding festivities on Sunday, officials said.

Taking notice of the incident, Prime Minister Shehbaz Sharif ordered an inquiry into the explosion that officials initially said appeared to have been caused by a gas cylinder though a thorough investigation would determine the exact cause.

The tragedy also raised safety concerns over the use of 'substandard' gas cylinders. The Oil and Gas Regulatory Authority authorises the manufacturing of LPG cylinders on the condition that it is carried out complying with strict national and international standards. While the authority has authorised 25 companies to manufacture cylinders, in Gujranwala alone, more than 400 small units operate in residential areas and produce substandard cylinders.

'Everything had gone': the day a father's joy turned to grief: Page 4

Woman killed in Quetta gas explosion: Page 5

Pakistan Institute of Medical Sciences (Pims) spokesperson Dr Aneeza Jalil told *Dawn* that six bodies and 11 injured people were brought to the hospital, where an emergency was imposed following the incident. One of the injured was shifted to the burns centre

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Israel's recognition of 'Somaliland' an 'act of aggression', Dar tells OIC

- Expresses Pakistan's 'unwavering' support for Somalia's sovereignty
- Vows country will work with partners to mobilise global support for Palestinian right to self-determination
- Describes Kashmir dispute as 'nuclear flashpoint'

Dawn Report

ISLAMABAD: Deputy Prime Minister and Foreign Minister Ishaq Dar said on Sunday that Pakistan believed the recognition of the so-called "Somaliland" as an independent state by Israel was an act of "political aggression that sets a perilous precedent, threatening peace and security in the Horn of Africa, the Red Sea region, and beyond".

Mr Dar remarks came while addressing the extraordinary session of the Organisation of Islamic Cooperation's (OIC) Council of Foreign Ministers in Saudi Arabia, according to a statement issued by the Foreign Office.

Israeli troops kill three more Palestinians: Page 12

His comments follow a joint statement by the OIC, which initiated its 22nd extraordinary session in Jeddah on Saturday. The moot has been convened against the backdrop of Israel recognising "Somaliland" as an independent and sovereign state, with its "president", Abdirahman Mohamed Abdullahi, saying it would join the Abraham Accords.

Later, Israeli Foreign Minister Gideon Saar visited "Somaliland", a move condemned by Somalia as an "unauthorised incursion".

Mr Dar expressed Pakistan's "unwavering support for the sovereignty, unity and territorial integrity of the Federal Republic of Somalia" in his address.

"We strongly condemn the illegal and unlawful recognition by Israel of the Somaliland region of the Federal Republic of Somalia and the subsequent unwarranted and highly provocative visit of its foreign minister to Somaliland," he said.

He added that Pakistan also voiced its firm support for Somalia and condemned Israel's actions during the UN Security Council's briefing on the issue. "We identify this development as a direct assault on Somalia's internationally recognised borders, which constitutes a flagrant violation of international law," Mr Dar said.

"The principle of state sovereignty and territorial integrity constitutes a peremptory norm of international law from which no deviation or derogation is

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PTI holds Karachi power show amid crackdown claims

- PTI and PPP-led Sindh govt trade allegations over handling of the rally
- Police allege PTI workers attacked personnel with stones; tear gas and baton charge briefly used
- Authorities say no arrests were made, though cases may be registered on rioting allegations
- Police estimate attendance at around 5,000; PTI claims hundreds of thousands participated
- KP CM blames Sindh and Punjab governments for 'unfair treatment'

By Imtiaz Ali

KARACHI: Despite arrests, roadblocks, baton charges and the lack of proper arrangements required for a public meeting, the opposition PTI managed to stage a power show at Bagh-i-Jinnah late Sunday evening as part of its street mobilisation drive ahead of its February 8 nationwide protest call.

The provincial authorities' alleged high-handed tactics also appeared to replace the earlier bonhomie created by the Sindh government's welcoming reception of Khyber Pakhtunkhwa Chief Minister Sohail Khan Afridi, triggering a war of words between PTI and the PPP-led Sindh government.

Police sources told *Dawn* that they had clear instructions from the Sindh government "not to use force" and therefore avoided aggressive action, barring what they described as "slight use" near Bagh-i-Jinnah.

PTI supporters gather at the Bagh-i-Jinnah to attend the rally, addressed by Khyber Pakhtunkhwa Chief Minister Sohail Afridi, on Sunday.—Courtesy PTI

Citywide traffic jams exhaust road users: Page 13

They claimed PTI workers attacked police mobiles and personnel with stones, prompting a few policemen to resort to tear gas shelling and baton charges, but these actions were quickly halted to prevent an escalation of violence.

Sources said police created temporary hindrances without placing heavy containers, aiming only to slow the movement of rally participants. They added that police were also instructed not to manhandle CM Afridi or his convoy. While his movement was slowed in the Gadap area, he was not stopped.

Police claimed that PTI workers were removed from the venue but no arrests were made. However, they indicated that cases could be registered against PTI leaders and workers on charges related to rioting and disorder.

According to police estimates, around 5,000 people attended the rally, a figure disputed by PTI, which claimed that hundreds of thousands participated.

Addressing the gathering, CM Afridi delivered a brief speech,

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ON OTHER PAGES

NA session summoned today

President Asif Ali Zardari has summoned the National Assembly session today, setting the stage to initiate the process of appointing the leader of the opposition. The issue is expected to resurface after PTI's Omar Ayub withdrew his petitions against his removal. Before the withdrawal, Speaker Ayaz Sadiq said he couldn't begin the appointment process as the issue was sub judice. **Page 12**

Sri Lanka ties series against Pakistan

Sri Lanka eke out a hard fought 14-run victory over Pakistan in the third T20 at rain-hit Dambulla, easing their batting jitters and squaring the three-match series 1-1. The series, a warm-up for the T20 World Cup with Pakistan set to play all their matches in Sri Lanka due to political tensions with India, saw the visitors clinch the opener by six wickets before rain washed out the second game. **Page 18**

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